

# **THE ECONOMIC POTENTIAL FROM DEVELOPING NORTH CAROLINA'S ON-SHORE AND OFF-SHORE ENERGY RESOURCES**



# LARGE UNCERTAINTY WITH ESTIMATES

WITH PRICES

WITH AVAILABLE QUANTITIES

WITH TECHNOLOGY

WITH ENVIRONMENTAL IMPACTS



# WHAT I DID

PRICE FORECASTS FROM U.S. ENERGY DEPARTMENT AND THE WORLD BANK

RECOVERABLE OIL AND NATURAL GAS QUANTITIES FROM U.S. GEOLOGICAL SERVICE AND U.S. BUREAU OF OCEAN ENERGY MANAGEMENT

(NOTE: INTERACTION BETWEEN ECONOMICALLY RECOVERABLE QUANTITY AND PRICE)

ENVIRONMENTAL IMPACTS FROM VARIOUS SOURCES – MANY BASED ON PENNSYLVANIA EXPERIENCE



# ESTIMATED ECONOMIC IMPACTS TO NORTH CAROLINA FROM OFF-SHORE

## ENERGY RESOURCE DEVELOPMENT (2012 \$)

Infrastructure Development	
Spending	<b>\$181 million</b> for each of 7 years
Employment	<b>1122 jobs</b> for 7 years
State and local public revenues	<b>\$11 million</b> for each of 7 years
Production	
Spending	<b>\$1.9 billion</b> for each of 30 years
Employment	<b>16,910 jobs</b> for 30 years
State and local public revenues	<b>\$116 million</b> for each of 30 years

# ESTIMATED ECONOMIC IMPACTS TO NORTH CAROLINA FROM ON-SHORE

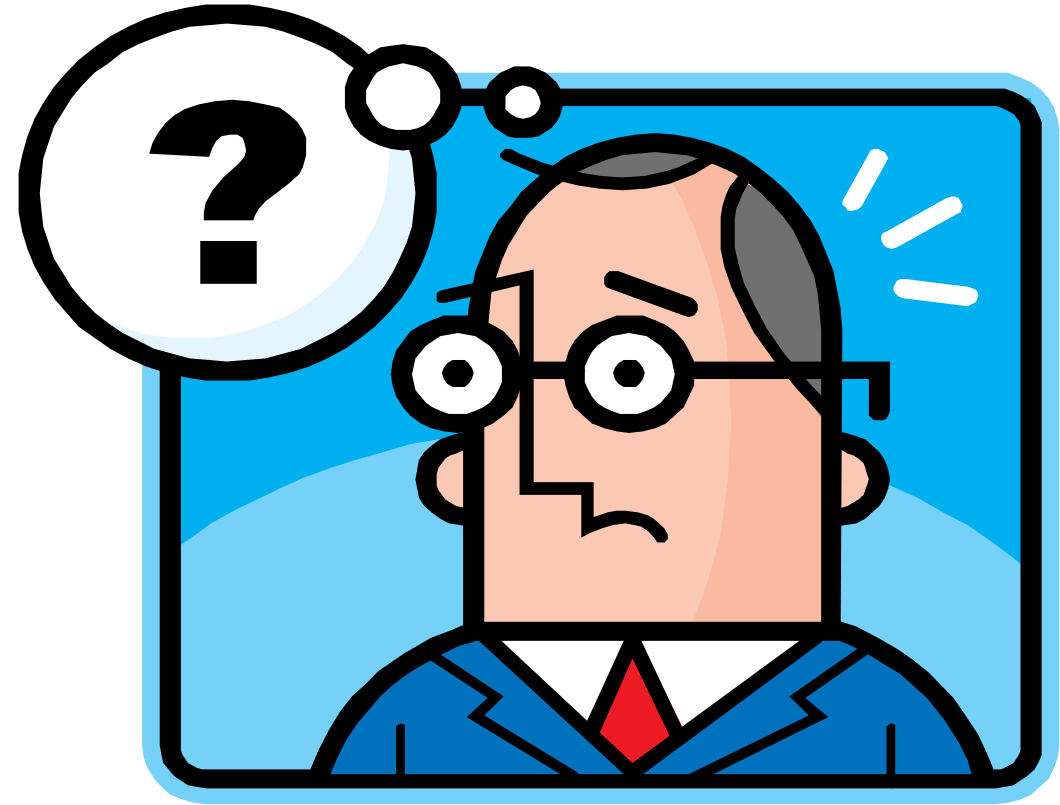
## ENERGY RESOURCE DEVELOPMENT (2012 \$)

Infrastructure Development	
Spending	<b>\$80 million</b> for each of 7 years
Employment	<b>496 jobs</b> for 7 years
State and local public revenues	<b>\$4.9 million</b> for each of 7 years
Production	
Spending	<b>\$158 million</b> for each of 20 years
Employment	<b>1406 jobs</b> for 20 years
State and local public revenues	<b>\$9.6 million</b> for each of 20 years

## **BUT RANGE OF ESTIMATES DEPENDING ON ASSUMED PRICES AND ASSUMED QUANTITIES**

FOR OFF-SHORE, JOB RANGE FROM  
118 TO 72,005

FOR ON-SHORE, JOB RANGE FROM  
132 TO 7994



# NORTH CAROLINA ECONOMIC VALUES AT RISK FROM OFF-SHORE ENERGY DEVELOPMENT

FOR POTENTIAL AFFECTED COUNTIES

PERSONAL INCOME: \$8.5 BILLION

EMPLOYMENT: 112,435

REAL PROPERTY VALUE: \$21.2 BILLION



# RESULTS OF STUDIES LINKING ON-SHORE ENERGY RECOVERY ACTIVITIES

## AND RESIDENTIAL PROPERTY VALUES

Study	Finding	Geographic Range
Muehlenbachs, et al.	12% reduction	Within 2 miles of wells
BBC Research and Consulting	22% reduction	Within ½ mile of wells
Boxall, et al.	4% to 16% reduction	Within 2.5 miles of wells
Integra Realty Resources	3% to 14% reduction	Within 1000 to 1500 feet of wells